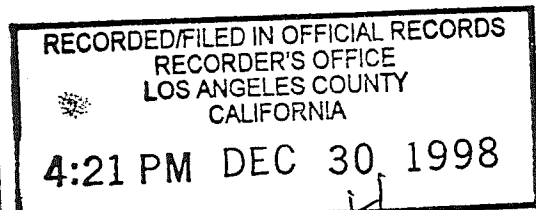


7145252-X59  
CHICAGO TITLE COMPANY

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AND WHEN RECORDED MAIL TO:

HEWITT & McGUIRE, LLP  
19900 MacArthur Boulevard  
Suite 1050  
Irvine, California 92612  
Attn: Jay F. Palchikoff

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**DECLARATION OF EASEMENTS,  
COVENANTS, CONDITIONS AND RESTRICTIONS**

This Declaration of Easements, Covenants, Conditions and Restrictions (the "**Declaration**") is made as of December 28, 1998 by BOEING REALTY CORPORATION, a California corporation (formerly known as McDonnell Douglas Realty Company) ("**Declarant**").

**RECITALS**

A. Declarant is the fee owner of that certain real property described as Lots 1 through 8 of Tract Map No. 52172-01 (the "**Tract Map**") in the City of Los Angeles (the "**City**"), as filed in Book 1233, Pages 79 through 83, inclusive, of Maps, in the Official Records of the County of Los Angeles (the "**County**"), State of California (the "**Retail Tract**").

B. Declarant also is the fee owner of that certain real property described in Exhibit "A" attached hereto (excluding the portion thereof constituting the Retail Tract) and depicted in Exhibit "A" attached hereto as the "Industrial Tract") (the "**Industrial Tract**"), as well as the proposed roadway areas depicted in attached Exhibit "A" as Harborage Way, Knox Street and Francisco Street (the "**Street Lots**") (each legal parcel within the Retail Tract from time to time is referred to in this Declaration as a "**Retail Tract Parcel**," each legal parcel of the Industrial Tract from time to time is referred to in this Declaration as an "**Industrial Tract Parcel**," the Retail Tract Parcels and the Industrial Tract Parcels are referred to collectively in this Declaration as the "**Covered Parcels**," and the Covered Parcels and the Street Lots are referred to collectively in this Declaration as the "**Property**." The owner of each Covered Parcel and its successors and assigns to such Covered Parcel are referred to collectively in this Declaration as a "**Covered Parcel Owner**," each Covered Parcel Owner of a "**Retail Tract Parcel**" is referred to in this Declaration as a "**Retail Parcel Owner**," and each Covered Parcel Owner of a Industrial Tract Parcel is referred to in this Declaration as an "**Industrial Parcel Owner**." The lessees, invitees, agents, employees and licensees of a Covered Parcel and the Covered Parcel Owner of such Covered Parcel are referred to collectively in this Declaration as "**Covered Parcel Users**" of such Covered Parcel, the Covered Parcel Users of the Retail Tract Parcels are referred to collectively in this Declaration as "**Retail Parcel Users**," and the Covered Parcel Users of the Industrial Tract Parcels are referred to collectively in this Declaration as "**Industrial Parcel Users**."

C. Declarant desires to enter into and record for itself, its successors and assigns this Declaration to declare that the Property is to be held, sold, leased and conveyed subject to the easements, covenants, conditions and restrictions declared in this Declaration.

NOW, THEREFORE, Declarant hereby declares, for itself, its successors and assigns, the easements, covenants, conditions and restrictions over the Property, which shall be appurtenant to the Property when conveyed in any manner, as follows:

**I. DECLARATION OF EASEMENTS**

A. Harborage Way Easement. Declarant hereby declares and reserves for its own use and benefit, and for the benefit of the Retail Tract and such other Covered Parcels as

Declarant may declare by recorded instrument from time to time, a perpetual, non-exclusive, appurtenant easement and right of way (the "**Harborgate Way Easement**") in, over, through and across that portion of Harborgate Way lying north of the westerly prolongation of the southerly boundary of the Temporary Truck Access Easement Area (as defined in Section I.B below) "**Harborgate Way Easement Area**" for the purposes of ordinary vehicular (including passenger, delivery and service vehicles) and pedestrian ingress to and egress from the Covered Parcels (but specifically excluding any parking purposes or any stopping of vehicles for delivery, staging, loading or other purposes), and for installation, maintenance, repair and replacement of landscaping, irrigation systems, sidewalks, street lighting, signage (subject to Section I.G below) and similar facilities and equipment over such portions of the Harborgate Way Easement Area as may be approved by Declarant from time to time.

B. Access Easement. Declarant hereby declares for the benefit of the Retail Tract a temporary, non-exclusive, appurtenant easement and right of way (the "**Temporary Truck Access Easement**") in, over, through and across that portion of the Property depicted on Exhibit "B" attached hereto as the "**Temporary Truck Access Easement Area**" for the purposes of vehicular ingress to and egress from Lot 3 of the Tract Map by delivery and service vehicles only (and specifically excluding any parking purposes or any stopping of vehicles for delivery, staging, loading or other purposes). The Temporary Truck Access Easement shall terminate if and when the Knox Street Easement or the Alternative Street Easement becomes effective as set forth below in this paragraph. Effective if and when a railroad crossing is granted by Union Pacific Railroad Company or its successor which will permit access from Normandie Avenue across the existing railroad tracks onto the portion of the Property depicted on Exhibit "B-1" attached hereto as the "**Knox Street Easement Area**," Declarant hereby declares for the benefit of the Retail Tract a perpetual, non-exclusive, appurtenant easement and right of way (the "**Knox Street Easement**") in, over, through and across the Knox Street Easement Area for the purposes of ordinary vehicular (including passenger, delivery and service vehicles) and pedestrian ingress to and egress from the Retail Tract Parcels (but specifically excluding any parking purposes or any stopping of vehicles for delivery, staging, loading or other purposes); provided, however, that in no event shall the Knox Street Easement become effective prior to March 31, 1999. Effective if the railroad crossing is not granted by Union Pacific Railroad Company as described above by December 31, 1999, Declarant hereby declares for the benefit of the Retail Tract a perpetual, non-exclusive appurtenant easement and right-of-way (the "**Alternative Street Easement**") in, over, through and across the portion of the Property depicted on Exhibit "B-1" attached hereto as the "Alternative Street Easement Area" for the purposes of ordinary vehicular (including passenger, delivery and service vehicles ingress to and egress from the Retail Tract Parcels (but specifically excluding any parking purposes or any stopping of vehicles for delivery, staging, loading or other purposes). The termination of the Temporary Truck Access Easement and the effectiveness of the Knox Street Easement or the Alternative Street Easement, as the case may be, shall be evidenced by a notice of such termination and effectiveness executed by Declarant and recorded in the Official Records of Los Angeles County. In addition, Declarant shall be responsible, at its sole cost, for completing the construction, paving and other installations required under applicable law to install the Railroad Crossing (as defined in Section II.C.1 below) and the Knox Street Easement Area, including the "**Future Curb Cut**" as depicted in Exhibit "B-1" attached hereto. The Harborgate Way Easement Area, the Temporary Truck Access Easement Area and the Knox Street Easement Area (or Alternative Street Easement, as the case may be) are referred to collectively in this Declaration as the "**Road Easement Areas**," and the Harborgate Way Easement, the Temporary Truck Access Easement and Knox Street Easement are referred to collectively in this Declaration as the "**Road Easements**").

C. Declaration of Utilities Easements.

1. Permanent Easements. Declarant hereby declares and reserves for its own use and benefit, and for the use and benefit of the Retail Tract and such other of the Covered Parcels as Declarant may declare by recorded instrument from time to time, perpetual non-exclusive, appurtenant easements and right-of-ways (the "**Utilities Easements**") in, over, through, across and under the Harborgate Way Easement Area (collectively, the "**Utilities Easement Areas**") for the location, development, installation, operation, maintenance, repair and

98 2372366

replacement of electric, gas, water, telephone, cable television, sewer, storm drain and other utilities convenient or necessary in the ownership, development, use or operation of each of the Covered Parcels from time to time, (the "**Common Utilities**"). The Utilities Easements may be used by each Covered Parcel Owner whose Covered Parcel is benefitted by the Utilities Easements, together with such Covered Parcel Owner's lessees who are responsible for the development, installation, operation, maintenance, repair or replacement of the Common Utilities serving such Covered Parcel, provided that such use shall not unreasonably interfere with the use of the Harborage Way Easement set forth in Section I.A above, including, but not limited to, vehicular and truck access to and from the Retail Tract through the curb cuts along the Harborage Way Easement Area. Declarant and any other Covered Parcel Owner whose Covered Parcel is benefitted by the Utilities Easements, shall have the right to assign the benefit and use of all or any portion of the Utilities Easements or Common Utilities to any electric company, gas company, telephone company, cable television company, flood control district or other public utility or to the City or other public or quasi-public entity that will be responsible for the installation, maintenance or repair of the facilities for which such assignment is made. No conveyance by Declarant of any Covered Parcel or any interest therein shall be deemed to be or construed as a conveyance or release of the Utilities Easements or Common Utilities except as explicitly stated in such conveyance, even though the conveyance purports to convey such Covered Parcel in fee simple or purports to convey Declarant's entire interest therein.

2. Temporary Easements. Declarant hereby declares and reserves for its own use and benefit and for the use and benefit of the Covered Parcels temporary non-exclusive, appurtenant easements and rights of way (the "**Temporary Utilities Easements**") in, over, through and across that portion of the Property depicted on Exhibit "C-1" attached hereto as the "**Storm Drain Facilities**" and "**Sewer Facilities**" (collectively, the "**Temporary Utilities Easement Areas**"), together with easements for reasonable access for the purposes of maintenance, repair and replacement of the Storm Drain Facilities and Sewer Facilities and improvements located within the Temporary Utilities Easement Areas, and other reasonable purposes incidental thereto. The Temporary Utilities Easements shall terminate on March 31, 2001. The Owner of the Covered Parcel on which the Storm Drain Facilities are located shall have the reasonable right to relocate such portion of the Storm Drain Facilities that interferes with the normal development of such Covered Parcel, provided that such relocation is done at the sole expense of such Owner in accordance with sound engineering and construction practices.

D. Water Riser and Gas Riser Easements. Declarant hereby declares and reserves for its own use and benefit, and for the use and benefit of such of the Covered Parcels as Declarant may declare by recorded instrument from time to time, perpetual, non-exclusive, appurtenant easements (collectively, the "**Riser Easements**") in, over, through, across and under the areas depicted on Exhibit "C" attached hereto as the "**Water Facilities**" and "**Gas Facilities**" (collectively, the "**Riser Easement Areas**"), together with easements for reasonable access for the purposes of maintenance, repair and replacement of the Water Facilities and Gas Facilities and other facilities and improvements located within the Riser Easement Areas, and other reasonable purposes incidental thereto. Declarant shall have the right to assign all or any of its rights in the Riser Easements to any transferee or future owner of a Covered Parcel.

E. Easement for Remediation Work.

1. Declaration of Easements. Declarant acknowledges that Declarant or its successors will be pursuing environmental remediation work and related activities (the "**Remediation**") under the a remediation plan (the "**Remediation Plan**") approved by the Regional Water Quality Control Board (the "**RWQCB**"). The Remediation Plan, as approved by RWQCB, will or may require the installation and maintenance of certain facilities and equipment and will require that Declarant have reasonable access to all such facilities and equipment for the purposes of installing, operating, monitoring, testing, maintaining, repairing, replacing and removing such facilities and equipment and other purposes reasonably related thereto. Subject to the conditions set forth in Section I.E.2. below, Declarant hereby declares and reserves for its own use and benefit, and for the use and benefit of such of the Covered Parcels as Declarant may declare by recorded instrument from time to time, the following, non-exclusive, appurtenant easements and

rights-of-way (collectively, the "**Remediation Easements**") in, over, through, across and under the Property as follows: (i) an easement for the purposes of operating, monitoring, testing, maintaining, repairing, replacing and removing existing wells only in the locations depicted in Exhibit "D" attached hereto and related facilities and equipment and other purposes reasonably related thereto; (ii) an easement for the purposes of installing, operating, monitoring, testing, maintaining, repairing, replacing and removing such wells and other facilities and equipment as may be required in connection with the Remediation and other purposes reasonably related thereto only within the portion of the Property depicted in Exhibit "D-1" attached hereto, together with one (1) additional well outside such area and within Parcel 1 or 2 of the Retail Tract at a location specified by RWQCB; provided, however, that the surface facilities and equipment installed within such easement areas shall not interfere with the use or enjoyment of the Property (*i.e.*, surface improvements within roadways shall consist of covers or caps substantially at ground level and any other facilities or equipment shall be fully screened and located within areas designated in the then-current (*i.e.*, at the time such facilities or equipment are to be approved for installation) site plan for the affected Retail Tract Parcel as median, buffer or landscaped areas and shall extend no higher than four feet above ground level and have horizontal dimension of not greater than four feet), such facilities and equipment to be subject to relocation at the election and expense of the owner of the affected Retail Tract Parcel from time to time, to a reasonable and feasible new location approved by each Governmental Agency, as defined below; and (iii) an easement for underground facilities and equipment reasonably related to the Remediation, provided such facilities and equipment are located at least twenty (20) feet below ground level and shall not endanger, impair or interfere with any improvement constructed on the Property or the use or enjoyment thereof. Declarant acknowledges that, after recordation of this Declaration, the RWQCB or other governmental or quasi-governmental body having jurisdiction over the Remediation (each, a "**Governmental Agency**") may require or permit the Remediation Plan to be modified or may interpret or enforce the Remediation Plan differently from how Declarant may anticipate. The Remediation Easements shall be construed at all times to permit access to such portions of the Property as may be reasonably necessary from time to time to fully comply with the Remediation Plan as it may be interpreted by the Governmental Agencies or amended from time to time. The exercise of rights under the Remediation Easements shall be reasonable and shall not unreasonably interfere with the development or operation of the Retail Tract or the businesses conducted thereon from time to time. Declarant shall have the right to assign the benefit and use of the Remediation Easements to any Affiliate of Declarant or any successor or assign of an Affiliate or Declarant who becomes obligated to complete all or any portion of the Remediation. For the purposes of the Declaration, "**Affiliate**" means any entity which from time to time directly or indirectly controls, is controlled by or is under common control with an entity in question. The Remediation Easements shall terminate when the Remediation has been completed and each appropriate Governmental Agency has issued a certificate or other documentary evidence in customary form indicating that such Governmental Agency is not planning to require any further action with respect to environmental remediation of the Property. Upon such termination, Declarant or its successors or assigns shall cause to be recorded in the Official Records of Los Angeles County a document evidencing the termination of the Remediation Easements, but failure to record such a document shall not be a prerequisite to the termination of the Remediation Easements. Declarant anticipates that the Remediation Easements will need to stay in effect for an extended period of years, perhaps exceeding twenty (20) years. Notwithstanding any termination of the Remediation Easements, in the event any Governmental Agency requires further environmental remediation of any portion of the Property necessitating further entry upon any Covered Parcel, the Remediation Easements shall be reinstated as reasonably necessary to provide for such necessary entries thereon, and Declarant and its Affiliates or successors or assigns shall have a right to cause to be recorded in the official records of Los Angeles County a document evidencing the reinstatement of the Remediation Easements. After reinstatement, the Remediation Easements shall terminate again (and be subject to further reinstatement and later termination) pursuant to the foregoing provisions of this paragraph.

2. Terms of Use. Notwithstanding any other provisions of this Declaration, during the term of any Remediation Easement, Declarant and its Affiliates or successors and assigns shall comply with the following conditions:

(a) All remediation work and related activities conducted on the Remediation Easement areas shall be carried out in accordance with all applicable federal, state and local laws, regulations, orders, permits and other governmental requirements concerning the regulation or protection of health, safety and the environment, and in a good and workmanlike manner.

(b) To the extent reasonably feasible, all remediation work and related activities on the Remediation Easement areas shall be preceded by reasonable prior written notice to the Parcel Owner thereof, giving estimated start-up and completion schedules, along with a description of any disruptions likely to be caused by such activities. Potentially disruptive activities (e.g., surveying, drilling, construction or monitoring) shall, to the extent reasonable, be performed outside of the business hours established for the business activities at the affected Covered Parcel. All construction areas shall be maintained in a neat and orderly manner during such business hours; provided, however, that all wastes generated by such activities shall be removed from the Remediation Easement areas on a daily basis.

(c) All damages to the Remediation Easement areas or its appurtenances caused by remediation work and related activities shall be promptly repaired to the condition existing before the damage occurred.

(d) Customary and standard insurance for the remediation work and related activities, including pollution liability and errors and omissions insurance, shall be obtained from all consultants or contractors performing activities on the Remediation Easement areas and shall identify the Parcel Owner thereof as an additional insured.

(e) Upon written request from a Parcel Owner of a Remediation Easement area, Declarant shall promptly provide to such Parcel Owner all consultant reports (to the extent such reports are non-privileged) and laboratory results generated by Declarant or its agents as a result of the remediation and related activities on such Covered Parcel and shall allow such Parcel Owner, or its agent, to observe and, at such Parcel Owner's expense, take or share soil, vapor, air, surface water or groundwater samples as reasonably required by such Parcel Owner.

F. Easements for Signage. Declarant hereby declares and reserves for its own use and benefit, and for the use and benefit of such of the Covered Parcels as Declarant may declare by recorded instrument from time to time, a perpetual, non-exclusive, appurtenant easement (the "**Signage Easement**") in, over, through, across and under that portion of the Retail Tract depicted as the "**Signage Easement Area**" in Exhibit "E" attached hereto for the location, development, installation, lighting, operation, maintenance, repair and replacement of signage for the Industrial Tract. Such signage shall conform to the criteria set forth in Exhibit "E" attached hereto. No Retail Parcel User or other party may place any other signage within the Signage Easement Area.

## II. RETAINED USES, DEDICATION AND MAINTENANCE

A. Retained Rights in Easement Areas. The Covered Parcel Owner of each Covered Parcel containing an easement area declared under this Declaration (each, an "**Easement Area**") shall retain the right to permit such Easement Area to be used for any purpose to the extent such use does not unreasonably interfere with the use of an Easement Area as permitted pursuant to this Declaration. The respective Covered Parcel Owners shall retain all rights in the Easement Areas which are not inconsistent with the purposes for which the Easement Areas are intended under this Declaration, including but not limited to the rights to (i) subject use of the Easement Areas to reasonable rules and regulations applied on a nondiscriminatory basis; (ii) make any repairs to the Easement Areas that do not unreasonably interfere with the permitted use of the Easement Areas pursuant to this Declaration; and (iii) make any alterations or improvements of or to the Easement Areas or any improvements thereon that do not unreasonably interfere with use of the Easement Areas as permitted pursuant to this Declaration.

98 2372366

B. Dedication of Easement Areas. Declarant contemplates that it may dedicate all or any portion of the Road Easement Areas, Utilities Easement Areas, Common Utilities or other property or facilities to the City, the County or other public or quasi-public entity for public use or other use that includes reasonable continued use by Covered Parcel Users benefitted under this Declaration (the "**Dedications**"), which Dedications may or may not occur and, if they occur, may occur in one conveyance to one such entity or various conveyances to one or more of such entities from time to time. Declarant hereby reserves the right to make the Dedications at any time and from time to time. Upon the occurrence of a Dedication as to all or a particular portion of the Road Easement Areas, Utilities Easement Areas or Common Utilities, all easements, rights and obligations set forth in Section I.A, I.B or I.C above with respect to all or such portion of the Road Easement Areas, Utilities Easement Areas or Common Utilities as to which such Dedication applies shall terminate and expire immediately upon such Dedication.

C. Maintenance and Repair; Costs.

1. Maintenance of Road and Utility Easement Areas. The owner of the Lot 3 of the Tract Map shall improve, maintain, repair and replace the Temporary Truck Access Easement area in good condition and repair in compliance with all applicable laws and regulations until the Temporary Truck Access Easement terminates. Subject to the provisions of Section II.C.5 below, Declarant shall maintain, repair and replace the Harborage Way Easement Area, Utilities Easement Areas and Common Utilities in good condition and repair in compliance with all applicable laws and regulations. Subject to the provisions of Section II.C.5 below, all such maintenance, repairs and replacements shall be completed without expense to the owner of the Retail Tract. Subject to the provisions of Section II.C.5 below, Declarant also shall maintain and repair the Knox Street Easement Area and the railroad crossing located within or adjacent to the Knox Street Easement Area, including, but not limited to, paving, crossing gates, signage, flashers and other facilities and equipment (collectively, the "**Railroad Crossing**") in good condition and repair in compliance with all applicable laws and regulations and any agreements pertaining to the adjacent railroad crossing that may exist from time to time with the applicable railroad company (the "**Railroad Agreements**"). The owner of the portion of the Retail Tract described as Lot 3 of the Tract Map (the "**Benefitted Parcel**") shall pay to Declarant an amount equal to fifty percent (50%) of the Reimbursable Costs (as defined below) incurred in the operation, maintenance, repair or replacement of the Knox Street Easement Area as required under the Railroad Agreements. In the event not all of the Benefitted Parcel is owned by one Owner, Declarant shall have the right to collect the amounts owing pursuant to this paragraph from the Retail Parcel Owner owning the largest portion of the Benefitted Parcel by gross acreage (*i.e.*, such owner shall pay the entire amount owing and then, at its own expense, may seek reimbursement from other Retail Parcel Users as may be appropriate). As used in this Declaration, "**Reimbursable Costs**" shall mean all out-of-pocket costs and expenses reasonably incurred to maintain and repair the Knox Street Easement Area or Railroad Crossing as determined in accordance with generally accepted accounting principles and practices consistently applied. Reimbursable Costs also shall include all real property taxes and assessments and other amounts imposed similar thereto or in lieu thereof against the Knox Street Easement Area, and the cost of liability insurance and property insurance maintained to cover the Knox Street Easement Area or Railroad Crossing and the property on which it is located, with the determination in each case of the portion attributable to the Knox Street Easement Area or Railroad Crossing to be made by Declarant on a reasonable basis from time to time. Reimbursable Costs shall not include any costs resulting from the negligence or other wrongful conduct or breach of this Declaration by a Covered Parcel Owner (which costs shall be paid in full by the negligent, wrongful or breaching Covered Parcel Owner), or any accounting, administrative, supervision or overhead costs or fees or any costs incurred in the initial construction or installation of the Railroad Crossing or the correction of defects therein or capital replacements, additions or alterations thereof except to the extent amortized over the useful life thereof. Notwithstanding the foregoing, it is specifically declared that the costs of repaving, resealing and restriping the Knox Street Easement Area and Railroad Crossing when necessary in the reasonable opinion of Declarant, as well as the costs of replacement of any facilities or equipment pertaining to the Railroad Crossing as necessary from time to time under the Railroad Agreements or otherwise, shall be considered to be Reimbursable Costs. Declarant shall, if

98 2372366



requested by the Owner of the Benefitted Parcel from time to time, furnish reasonable back-up information and documentation pertaining to the Reimbursable Costs. The Owner of the Benefitted Parcel or its authorized agent shall have the right, within one year after receipt of Declarant's itemized statement for a year, and upon ten days' prior written notice to Declarant, to inspect Declarant's books and records regarding the Reimbursable Costs for such year at Declarant's main accounting offices. Declarant agrees to maintain its books and records at its main accounting offices for a minimum of one (1) year following the expiration of each accounting year to which such books and records pertain. In the event such audit shall disclose that Declarant has overstated the shares Reimbursable Costs for the Benefitted Parcel by more than three percent (3%) for the year in question, Declarant shall pay for the reasonable costs of the audit. Any refund due to the Owner of the Benefitted Parcel shall be payable in any event. Notwithstanding the foregoing provisions of this paragraph, all obligations to maintain, repair or replace a particular portion of the Road Easement Areas, Utility Easement Areas or Common Utilities shall cease upon the occurrence of a Dedication with respect to such area as contemplated in Section II.B above, and all obligations to operate, maintain, repair or replace the Railroad Crossing shall cease when such obligations cease under the Railroad Agreements.

2. Maintenance of Riser Easement Areas and Temporary Utilities Easement Areas. Declarant, at its expense, shall maintain and repair the Riser Easement Areas and the Temporary Utilities Easement Areas in good condition and repair in compliance with all applicable laws and regulations, and Declarant shall repair and restore all landscaping, paving and other improvements that are damaged from time to time by the maintenance, repair, replacement or improvement of any facilities or equipment within the Riser Easement Areas or the Temporary Utilities Easement Areas related to the use of the easements hereunder.

3. Maintenance and Repair of Remediation Easement Facilities. Declarant, at its expense, shall maintain and repair in good condition, and in compliance with all applicable laws and regulations, all facilities, equipment and other items placed on the Property in connection with the Remediation or Remediation Plan, and Declarant shall repair and restore all landscaping, paving and other improvements that are damaged from time to time by the maintenance, repair, replacement or improvement of any such facilities or equipment or Declarant's other use of the Remediation Easement.

4. Maintenance of Signage. Declarant shall, at its expense, maintain and repair in good condition, and in compliance with all applicable laws and regulations, the Signage Easement Area and all signage and other facilities, equipment and improvements placed within the Signage Easement Area pursuant to the Signage Easement, and Declarant or its successors shall repair and restore all landscaping, paving and other improvements that are damaged from time to time by Declarant's installation, repair, placement or improvement of any such facilities, equipment or improvements within the Signage Easement Area.

5. Installation and Maintenance of Parkways. The Covered Parcel Owner of each Covered Parcel, at its expense, shall cause the areas within the public right-of-ways (and any area within Harbortate Way, Knox Street or Francisco Street so long as such roadways remain privately owned) that are adjacent to such Covered Parcel (*i.e.*, extending from the parcel boundaries to the edge of curb of the street improvements) to be installed, maintained and repaired in good, clean and attractive repair, including, but not limited to, design, governmental approval, construction of all installation of all landscaping, irrigation systems, sidewalks, street lighting, signage (subject to Section I.G.) and other facilities and equipment within such areas as may be required in accordance with applicable laws and regulations, and maintenance, repair and replacement of the foregoing.

6. Emergency Repairs. Notwithstanding anything in this Declaration to the contrary, any Covered Parcel Owner shall have the right to make emergency repairs to any Easement Area located within its Covered Parcel, as to which prior approval of the party responsible for maintenance and repair is not reasonably possible, in order to prevent injury or damage to persons or property. The cost of such emergency repairs shall be reimbursed to the Covered Parcel Owner making such emergency repairs by the party obligated to maintain or repair such Easement Area, as provided in Section II.C.7 below. Immediately upon making an

emergency repair to an Easement Area, the Covered Parcel Owner making such repair shall notify the party obligated to maintain and repair such Easement Area.

7. Payment of Costs. In circumstances in which a Covered Parcel Owner (the "Obligor Owner") is obligated to pay a cost or expense pursuant to this Declaration, such payment shall be made within twenty (20) days after presentation of an invoice and reasonable supporting documentation by the party to whom payment is owed (the "Obligee Owner"). If an Obligor Owner fails to pay an amount owing pursuant to this Declaration, and such failure continues for ten (10) calendar days after the receipt by the Obligor Owner of written notice from the Obligee Owner that such payment was not made as required, the Obligor Owner shall pay as a late charge an amount equal to ten percent (10%) of the delinquent amount. Declarant acknowledges that such amount of late charge constitutes a reasonable estimate of reasonable administrative and other costs likely to be incurred by an Obligee Owner in the event an Obligor Owner does not make timely payment. This provision shall in no way limit any of the provisions set forth in Section IV of this Declaration or any other remedies for nonpayment available under applicable law.

8. Assignment and Assumption of Obligations; Association. Declarant may assign any of the easements or other rights of Declarant under this Declaration or any of Declarant's obligations under this Declaration at any time to any Affiliate of Declarant or to any successor to Declarant or its Affiliate by merger or acquisition of substantially all of Declarant's or such Affiliate's assets or to any successor in interest in all or any portion of the Property (any such person or entity described above in this paragraph being referred to in this Declaration as a "Successor." So long as Declarant (or any Successor to whom Declarant may have assigned the following rights) owns all or any portion of any Covered Parcel, Declarant (or such Successor to whom Declarant may have assigned the following rights) may establish and cause participation by the Parcels and Owners in a property owners' association for the benefit of all or any portion of the Property (the "Association"). After neither Declarant nor any Successor to whom Declarant's right to form the Association has been assigned owns any portion of any Parcel, the Association may be formed upon the majority vote of the Covered Parcel Owners. In the event an Association is established, each Covered Parcel Owner shall become a member of the Association and shall be governed by the rules and regulations of the Association which rules and regulations shall not be inconsistent with the provisions of this Declaration and shall not materially impair the operations of any Covered Parcel User of a Retail Tract Parcel conducted in accordance with the provisions of this Declaration. Any and all rights, obligations, powers and reservations of Declarant shall be assigned to the Association, except that if Declarant (or a Successor to whom Declarant's right to form the Association has been assigned) has caused the Association to be formed as set forth above in this paragraph, Declarant or such Successor may retain such of its rights and obligations under this Declaration as Declarant or such Successor may desire, with the right to assign such rights and obligations to the Association or a Successor in one or more further assignments from time to time in the future. Any and each such assignment of rights or obligations to a Successor or the Association pursuant to this paragraph shall be evidenced by a writing recorded in the Official Records of Los Angeles County, which shall include a written acceptance of such rights and assumption of such obligations on behalf of the Successor or the Association. Upon a Successor's assumption of an obligation of Declarant under this Declaration, Declarant shall have no responsibility for any further performance of such obligation except for Declarant's breaches occurring prior to such assumption.

### III. ADDITIONAL COVENANTS, CONDITIONS AND RESTRICTIONS

A. Restrictions on Use of the Property. All limitations contained in this Declaration are supplemental to controls established by zoning, building, fire and other applicable laws and regulations. In the event of any conflict between such laws or regulations and the provisions of this Declaration, the more restrictive shall apply to the extent legally permissible. Declarant hereby covenants and declares that the Property shall be held, leased and conveyed subject to the following restrictions and covenants, which are hereby declared to be for the benefit of all Covered Parcels:



1. Prohibited Uses. No Covered Parcel shall be used for any residence (*i.e.*, place of permanent human habitation), school, day care facility for children (except those offered as a service in connection with a hotel, motel or temporary lodging facility), hospital for humans or other in-patient care facility or other use as to which heightened or special requirements or standards may apply from time to time under applicable environmental laws, but this sentence shall not prohibit uses ordinarily located in automobile dealerships or in shopping centers (such as restaurants, theaters and other entertainment facilities and stores engaged in the sale of consumer goods) or uses for extended stay or other hotels with or without kitchenettes. In addition, no Covered Parcel shall be used for any of the following: Environmental remediation facility (except in connection with remediation of the Property); exterminating service; butane or propane distribution; exterminating and fumigating warehouse; bulk storage of gasoline or fuel oil tanks (except as incidental to retail sales); bulk storage of paint and varnish; petroleum products packaging and storage; adult book store, adult novelty store, adult theater or adult live entertainment (the foregoing shall not prohibit a full-line bookstore from selling adult-themed literature or products, or prohibit a full-line video or entertainment store from selling or renting adult videos, or prohibit a movie theater from exhibiting movies which are unrated or rated for adults only as part of the spectrum of movies ordinarily exhibited by major theater chains); day labor hiring hall; pawn shop; religious mission, including a charity dining hall; commercial loading of small arms or manufacture of ammunition; rock quarrying, sand and gravel or other mineral extraction; transit terminal; propane sales except as incidental to other retail sales or service; drive-in movie theater; tattoo establishment; thrift store; concrete or cement products manufacturing; plating or polishing shop, plating works or electric plating; metal, glass, plastic or other materials processing or recycling (except for recycling facilities on a Covered Parcel for the recycling of garbage, refuse or other materials generated on such Covered Parcel to the extent such recycling is required by law or is an ordinary incidental activity to other non-prohibited uses of such Covered Parcel); foster home or group foster home; farm devoted to hatching, raising, breeding and marketing of chickens, turkeys or other fowl, rabbits, fur-bearing animals or fish; feeder lot for horses, cattle, goats or sheep; dairy farm; bail bond company; body and fender shop; cannery, slaughter house or meat, processing or packaging plant; cesspool service; crematorium; flour or grain elevator; motor vehicle fuel distribution facility (other than at retail); outdoor hay and straw storage; massage establishment (except as incidental to physical therapy, fitness or medical uses); repair and rewinding of transformers or generators; outdoor paving materials storage; welding shop; wrecking yard or junkyard; shelter or dormitory intended to provide temporary shelter; transient hotel; so-called "head shop" or facility for the sale of drug paraphernalia; residential uses; traveling carnival (except for promotions conducted in the common area of any retail development incidental to attracting customers to such development); bingo parlor or any establishment conducting games of chance; or dumping or disposing of garbage or refuse. The foregoing shall not be construed to prohibit the use of the Retail Tract (i) as one or more extended stay or other hotels of reasonable quality with or without kitchenettes (subject to the provisions of Section III.D below); (ii) for servicing or reconditioning of automobiles or automobile body shop purposes, provided that such uses are incidental to use of a Retail Tract Parcel as a car dealership (such uses will be considered to be "incidental" if the annual gross revenues from such uses do not exceed 20% of the annual gross revenues for the car dealership including such services); or (iii) for above-ground bulk storage of gasoline, paint, varnish and other petroleum products incidental to use of a Retail Tract Parcel as a car dealership to the extent the storage of such products is reasonably necessary and customary from time to time and provided that, in any event, the transportation, storage, dispensing, use, disposal and other activities pertaining to such products are at all times performed in strict accordance with all applicable laws.

2. Parking Areas. Paved off-street parking as required by rules of any governmental or quasi-governmental authority entity having jurisdiction thereof shall be provided on each Covered Parcel to accommodate all parking needs for Covered Parcel Users of such Covered Parcel. If parking requirements for a Covered Parcel increase as a result of a change in use or number of employees, additional off-street parking shall be provided by the Covered Parcel Owner of such Covered Parcel or its lessees, licensees or occupants to satisfy the intent of this paragraph. All areas designated as parking shall be paved and curbed.

98 2372366

3. Storage and Loading Areas. All loading doors, docks, facilities or other service areas (excluding restaurant drive-thru facilities) shall be set back a minimum of thirty (30) feet from any property line which is adjacent to a street, except upon specific written approval from Declarant upon application showing screening and concealing of all such loading facilities from the street. No materials, supplies, merchandise or equipment, including company-owned or operated trucks (except for up to three delivery trucks for each tenant used for local deliveries to such tenant's customers), shall be stored in any area on a Covered Parcel except inside a closed building, or behind a visual barrier screening such areas so that they are not visible from neighboring properties or streets, without specific written approval from Declarant. The foregoing restrictions shall not prohibit a retail store from conducting sidewalk sales or parking lot sales adjacent to the store, or prohibit outdoor, highly visible storage of vehicles in connection with the use of a Retail Tract Parcel as an automobile dealership, retail stores of greater than 10,000 square feet from having a dedicated outside sales area for the sale of garden products, home improvement products or other items customarily sold outdoors by large retailers, or prohibit retail tenants from conducting outdoor sales of seasonal items such as Christmas trees and pumpkins. All loading doors, docks, facilities and other service areas shall be concealed from view from neighboring properties and streets by landscaping, fence or concrete walls. Exterior lighting shall not overwash property lines, or be of such intensity, size, color or location, so as to be a nuisance to other Covered Parcels.

4. Signs. No signs, billboards, advertising or other writing or depiction visible from outside a Covered Parcel shall be erected, placed or maintained on any Covered Parcel which are not in accordance with all applicable laws and regulations or which make identifications other than the name, business and logo of the person or firm occupying the premises and those offering the premises for sale or for lease; provided, however, that the foregoing shall not prohibit signage of a particular tenant from identifying its departments, licensees, concessionaires or subtenants, or prohibit any restaurant from exhibiting menu signs readable from areas immediately adjacent to the restaurant (including customer drive-thrus and menu signs for fast food restaurants), or prohibit directional traffic signs. Except for the use of the Signage Easement pursuant to Section I.F above, no sign, billboard, advertising or other writing or depiction visible from outside a Covered Parcel shall be erected, placed or maintained within 100 feet of any Signage Easement Area or extend higher than fifteen (15) feet above ground level within 200 feet of any Signage Easement Area; provided, however, that (i) a monument sign up to 30 feet high may be erected at each of the locations depicted in Exhibit "E" attached hereto as the "Approved Monument Signs" if otherwise approved by Declarant pursuant to the provisions of this Declaration; (ii) Declarant or its successors shall include the identification of the three largest businesses (by building square footage occupied) operating within the Retail Tract from time to time, at such businesses' expense, on the monument signage for the Industrial Tract to be located within the Signage Easement Area (the identification of such businesses to be of a size, character, prominence, style and configuration to be reasonably determined by Declarant or its successors from time to time and in all events substantially less prominent than the identification of the Industrial Tract); and (iii) the foregoing provisions of this sentence shall not prohibit signs affixed to buildings as are otherwise permitted pursuant to the provisions of this Section III.A.4. No "for sale" or "for lease" sign shall be placed within 200 feet of any Signage Easement Area (except for such signs not in excess of nine (9) square feet in size which may be placed in building windows) or extend higher than fifteen (15) feet above ground level. In no event shall more than two (2) "for sale" or "for lease" signs be permitted for each Covered Parcel from time to time.

5. Landscaping. Attractive, first-class landscaping shall be installed and maintained on each Covered Parcel on which a building is constructed. Landscaping shall be installed within ninety (90) days from the date after occupancy by any tenant or substantial completion of the building, whichever date first occurs, unless Declarant shall approve in writing another final date of landscape installation. For buildings built for speculative purposes, "substantial completion" shall mean that date on which the exterior walls and roof have been completed. Covered Parcels purchased for future development or expansion shall be maintained in a weed-free condition and free from rubbish and refuse at all times.

98 2372366

6. Utilities; Antennae; Roof Equipment. Except as otherwise explicitly approved in writing by Declarant, all utilities shall be placed underground, and no outside antennae, aerial wires, towers or other equipment shall be installed on any Covered Parcel unless all such equipment shall be concealed from view from neighboring properties and streets for a distance of 300 feet from such equipment (viewed from such distance at an elevation of ten (10) feet above ground level) by landscaping, roof design or other adequate means approved in writing by Declarant. Each Owner shall be responsible, at its sole expense, for designing, processing, developing, installing, improving, maintaining, repairing and replacing all lines, valves, connections and other facilities and equipment between the Common Utilities and facilities and equipment located within or serving such Owner's Covered Parcel.

7. Nuisances. No Covered Parcel User shall create a nuisance to any other Covered Parcel or its Covered Parcel Users. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Covered Parcel (except in trash receptacles emptied at least weekly and otherwise maintained in accordance with applicable laws and regulations), and no odors, fumes, dust or vapor shall be permitted to arise therefrom so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to any Covered Parcel or Covered Parcel User. No use or operation shall be conducted which is noxious, objectionable, unsightly or detrimental to others in any manner and due to any cause, including, but not limited to, vibration, sound (whether due to volume, intermittence, beat, frequency shrillness or otherwise), electro-mechanical disturbances, electro-magnetic disturbances, radiation, air or water pollution, dust or emission of odorous toxic and non-toxic matters.

8. Property Maintenance; Repair of Buildings. Each Covered Parcel, whether occupied or unoccupied, and all improvements placed thereon shall at all times be maintained in such a manner as to prevent their becoming unsightly by reason of unattractive growth or the accumulation of rubbish or debris thereon. No improvement shall be permitted by its owner, lessee, licensee or occupant to deteriorate or fall into disrepair, and each such improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished.

9. Compliance With Laws. All Covered Parcel Users shall comply with all federal, state and local laws and regulations applicable to the Covered Parcels, all construction on or development of the Covered Parcels, all businesses conducted on the Covered Parcels and all operation, maintenance and use of the Covered Parcels, including but not limited to, all laws, rules, regulations, orders and decrees relating to industrial hygiene, hazardous or toxic materials, health or safety.

10. Existing Phase 3 Operations. Declarant acknowledges that the portion of the Industrial Tract depicted as "Phase 3" in Exhibit "A" attached hereto is operated for certain existing uses that do not comply in all material respects with the provisions of this Declaration. Notwithstanding any other provision of this Declaration, the use and operation of each portion of Phase 3 shall not be considered to be in violation of this Declaration so long as such portion of Phase 3 continues to be used or operated substantially as used or operated as of the recordation of this Declaration, including existing levels of maintenance and repair. The Declarant's intention is that the restrictions in the Declaration applicable to the Industrial Tract shall apply fully to each portion of Phase 3 only as the existing use or operation of such portion ceases and such portion is redeveloped with new improvements.

B. Special Restrictions on Use of Industrial Tract. Declarant hereby covenants and declares for the benefit of the Retail Tract that the Industrial Tract (excluding the Western Frontage Property, as defined below) shall be held, leased and conveyed subject to the restrictions and covenants, which are hereby declared to be for the benefit of all the Retail Tract, that no portion of the Industrial Tract (excluding the Western Frontage Property) shall be used for any retail use (including restaurant use except food facilities provided by a Covered Parcel User for the benefit of its employees) in excess of 3,000 square feet by a single operator; provided, however, that after the date three (3) years after the recordation of this Declaration, such property

98 2372366

also may be used for the following secondary retail uses: bowling alleys, roller or ice skating rinks and health or fitness establishments.

C. Special Restrictions on Use of Western Frontage Property. Declarant hereby covenants and declares for the benefit of the Retail Tract that the portion of the Industrial Tract depicted on Exhibit "F" attached hereto as the "**Western Frontage Property**" shall be held, leased and conveyed subject to the restrictions and covenants, which are hereby declared to be for the benefit of the Retail Tract, that no portion of the Western Frontage Property shall be used for (i) any restaurant or any store engaged in the retail sale of consumer goods, in each case in excess of 7,500 square feet by a single operator, and (ii) any fast-food restaurant before the date three (3) years after the recordation of this Declaration.

D. Special Restrictions on Use of Retail Tract. Declarant hereby covenants and declares that the Retail Tract shall be held, leased and conveyed subject to the following restrictions and covenants, which are hereby declared to be for the benefit of Declarant and such of the Covered Parcels as Declarant may declare by recorded instrument from time to time:

1. Initial Development. All portions of the Retail Tract shall be developed initially as a first-class shopping center including retail users such as movie theaters and other entertainment facilities, restaurants and stores engaged in the sale of goods to consumers; provided, however, that such restriction for initial retail development shall not prohibit portions of the Retail Tract from being used for a car dealership or one or more hotels in accordance with Section III.A.1. above and other applicable provisions of this Declaration.

2. Intensity of Development. The Retail Tract shall not be used for any greater intensity of development than the Permitted Intensity (as defined below) in terms of floor area ratio, total square footage and improvements, traffic generation or other ordinary measures of intensity of development, if any such increased intensity will have the effect of restricting the development of any portion of the Industrial Tract or subjecting such development to greater exactions, impositions or other conditions to development than otherwise would be the case. For the purpose of this Declaration, the "**Permitted Intensity**" shall mean no more than 310,000 square feet of building improvements containing a maximum of 20,000 square feet of restaurant space and 2,750 theater seats.

E. Insurance. Each Covered Parcel Owner shall maintain with a financially sound company or companies, licensed to do business in California, commercial general liability insurance insuring against bodily injury, property damage and personal injury, with coverage limits of at least \$2,000,000, covering the entries or other activities upon the Easement Areas by or on behalf of such Covered Parcel Owner or its Covered Parcel Users. The form and content of all such insurance policies shall be reasonably acceptable to Declarant. If a Covered Parcel Owner fails to obtain and maintain the insurance required by this paragraph, Declarant or any other Covered Parcel Owner, after notice to the breaching Covered Parcel Owner, may purchase such insurance on behalf and for the account of the breaching Covered Parcel Owner, and the breaching Covered Parcel Owner shall reimburse the party purchasing the insurance pursuant to Section II.C.7 above reasonable evidence of the cost incurred. In addition, each Covered Parcel Owner shall be liable to all other Covered Parcel Owners for any loss or cost resulting from or in connection with any failure to obtain and maintain insurance as required under this paragraph.

F. Mutual Indemnification and Repair. The Covered Parcel Owner of each Covered Parcel shall keep the Easement Areas free from any liens or claims arising out of the use or activities upon the Easement Areas by Covered Parcel Users of such Covered Parcel. The Covered Parcel Owner of each Covered Parcel shall at its sole expense indemnify the other Covered Parcel Owners against any damages to persons or property caused by any such liens or claims and any negligent or wrongful use of, or activities upon, the Easement Areas by any Covered Parcel Users of such Covered Parcel, and shall repair and replace any improvements or landscaping located now or hereafter on any Covered Parcel to the extent damaged by any negligent or wrongful act of a Covered Parcel User of such Covered Parcel. In addition, Declarant and its successors and assigns shall keep the Retail Tract free from any liens or claims

98 2372366

arising out of the use or activities upon the Retail Tract in connection with the Remediation Easements, and shall indemnify each Retail Parcel Owner against any damages to persons or property caused by any such liens or claims and any negligent or wrongful use of, or activities upon, the Retail Tract in connection with the Remediation Easements, and shall repair and replace any improvements or landscaping located now or hereafter on the Retail Tract to the extent damaged by any such negligent or wrongful act.

G. Declaration of Restrictive Covenants. Declarant acknowledges that, concurrently with the recordation of this Declaration, Declarant also has recorded against the Property that certain Declaration of Restrictive Covenants in the form attached hereto as Exhibit "G" (the "Declaration of Restrictive Covenants") in the hope of satisfying the requirements of the Governmental Agencies with respect to restricting or prohibiting a property from agricultural, water production, residential, school, hospital or such other use as to which heightened or special requirements or standards may apply under applicable environmental laws. Declarant hereby declares and reserves to itself for the benefit of the Covered Parcels the right to cause to be recorded against the Property a modification of or supplement to the Declaration of Restrictive Covenants in the form as may be required by the Governmental Agencies as a condition to the development, use or operation of any Covered Parcel, provided that such supplement or modification shall not materially impair the right of any Covered Parcel User to develop, use or operate such Covered Parcel as permitted in accordance with the provisions of this Declaration.

#### IV. ENFORCEMENT AND REMEDIES.

The provisions of this Declaration, and the easements, conditions, covenants and restrictions declared, established, and created herein may be enforced by proceedings at law or in equity, including without limitation:

A. Right of Action. All actions at law for damages, and/or all equitable remedies shall be available to redress or to prevent violation of any provision, easement, covenant, condition, or restriction of this Declaration. Notwithstanding the foregoing, in no event shall any breach of this Declaration give rise to an action for damages for loss of use of all or any portion of a Covered Parcel as to any violation as to which the cure is prevented or delayed due to acts of God, governmental moratoria or governmental failure to act within specific time periods prescribed by applicable law, flooding, strikes or other causes beyond the reasonable control of the violating party.

B. Nuisance. To the full extent permitted by applicable law, the result of every act or omission whereby any provision, easement, covenant, condition, or restriction of this Declaration is violated, in whole or in part, is hereby declared to be and does constitute a nuisance, and every remedy allowed by law or equity against a private nuisance shall be available to redress or prevent every act or omission with such a result.

C. Nonpayment of Proportionate Share of Reimbursable Costs; Remedies. Payment by an Obligor Owner of any amount required under this Declaration may be enforced by proceedings at law or in equity, including without limitation commencement and maintenance of a suit at law against the Obligor Owner. Any judgment rendered in any such action shall include the amount owing hereunder, together with the late charges provided for in Section II.C.7 of this Declaration, costs of collection, court costs, and reasonable attorneys' fees in such amount as the court may adjudge.

D. Lien Remedy. In addition to any other rights or remedies available at law or in equity, should an Obligor Owner fail to pay any amount required under this Declaration, the Obligor Owner may deliver to the Obligor Owner a notice of default and election to sell the Covered Parcel owned by the Obligor Owner and all improvements thereon (the "**Liened Parcel**"), the intention being that the obligation of each Covered Parcel Owner to make payments as required pursuant to this Declaration shall be secured by the lien of this Declaration. After giving of such notice, unless all amounts legally due and owing to the Obligor Owner have been paid and provided that all of the requirements of Sections 2920 et seq. of the California Civil

98 2372366

Code and of all other applicable statutes have been satisfied, the Obligee Owner, or such trustee as the Obligee Owner may appoint (a "Trustee"), may cause the Liened Parcel to be sold at such time and place as may be fixed in said notice of sale or at such time and place to which the sale may be postponed as hereinafter provided without additional notice, either as a whole or in separate parcels, and in such order as the Obligee Owner or its Trustee alone may determine, at public auction to the highest bidder for cash in lawful money of the United States at the time of sale, or upon such other terms as the Obligee Owner or its Trustee may consider advisable. The Obligor Owner shall have no right to direct or determine whether the Liened Parcel shall be sold as a whole or in separate parcels, or the order of sale of separate parcels or the portion of the Liened Parcel to be sold if only a portion is sold. The Obligee Owner or its Trustee may postpone the sale of the Liened Parcel by public announcement thereof at the time and place of sale and from time to time thereafter by public announcement at the time and place of the preceding postponement. In conducting or postponing any such sale, the Obligee Owner may act through its agents, officers or employees or any other person designated by the Obligee Owner, whether or not such party shall be a licensed auctioneer. At such sale, the Obligee Owner or its Trustee shall cause to be delivered to the buyer or buyers, one or more duly executed deed or deeds conveying the property so sold, subject to all the provisions of this Declaration, but without any covenant or warranty, either express or implied. The recitals in such deed or deeds with regard to any matters of fact shall be conclusive proof of the truthfulness thereof against the buyer at such sale, its successors and assigns, and all other persons. Any person or entity, including without limitation the Obligee Owner, may bid in or purchase at such sale. The Obligor Owner hereby agrees to surrender, immediately and without demand, possession of said property to the buyer at such sale. The proceeds of such sale shall be applied as follows: first, to the expenses of sale incurred by the Obligee Owner or its Trustee, including reasonable attorneys' fees; next, to the sums secured hereby; and finally to the person or persons legally entitled thereto. As an alternative to the foregoing, the Obligee Owner may elect to foreclose the lien secured hereby by judicial action, in which event the Obligor Owner shall be liable for the expenses incurred by the Obligee Owner in connection therewith, including reasonable attorneys' fees. To the maximum extent permitted by law, each Obligor Owner hereby waives any applicable statute of limitations, provided that the lien created herein shall expire twenty-five (25) years following the date of recordation of this Declaration. Notwithstanding the foregoing, if the Obligor Owner's default is timely cured in accordance with this Agreement or applicable law, the Obligee Owner shall, upon request by the Obligor Owner, record at the Obligor Owner's expense an appropriate notice of rescission in accordance with the applicable provisions of the California Civil Code. No failure by the Obligee Owner to exercise its rights set forth herein shall constitute a waiver of such rights at any later time while this Declaration is still in effect, and so long as any violation may continue.

E. Enforcement of Obligations. If the Declarant or a Covered Parcel Owner fails to perform an obligation as required pursuant to this Declaration, any affected Covered Parcel Owner may give notice of such default to the defaulting party. Upon its receipt of notice, the defaulting party shall have twenty (20) days to cure the default, provided that if the default reasonably cannot be cured within twenty (20) days, the defaulting party shall have such additional time as may be reasonably necessary to cure the default provided that the defaulting party commences the cure within the twenty (20) day period and thereafter diligently pursues the cure to completion. If the defaulting party fails to cure its default pursuant to the preceding provisions of this paragraph, the Covered Parcel Owner who gave the notice of default may perform all acts reasonably necessary to cure the default, provided such Covered Parcel Owner gives five (5) days' written notice to the defaulting party prior to the commencement of the cure. Upon completion of the cure, the defaulting party shall reimburse such Covered Parcel Owner who cures the default for all costs and expenses reasonably incurred in curing the defaulting party's default, as provided in Section II.C.7.

## V. TERM

This Declaration, every provision hereof and every covenant, condition and restriction contained herein shall run with the land and shall be binding upon all persons owning any portion of the Property and their successors and assigns for a period of fifty (50) years (the "Primary Term") from and after the date this Declaration is recorded, unless terminated or



amended. After the expiration of the Primary Term, this Declaration shall automatically be extended for an additional ten (10) year period ("**Extension Term**") and for successive periods of the Extension Term thereafter, unless terminated or amended. After the expiration of the Primary Term, the owners of a majority of the Property (based on acreage) may execute and acknowledge an agreement in writing terminating or revising the terms of this Declaration and file the same in the Official Records of the County, and then thereafter the easements, covenants, conditions and restrictions set forth in this Declaration shall be null, void and of no further force and effect, or shall be modified as such recorded instrument may direct.

## VI. AMENDMENT

This Declaration may be amended, but not terminated, or any provision hereof may be modified, amended or waived, at any time by written consent of parties owning at least eighty-five percent (85%) of the Property (based on acreage). Any such modification, amendment or waiver shall be effective immediately upon the recording of a proper instrument in writing, executed and acknowledged by the parties owning at least eighty-five percent (85%) of the Property (based on acreage) and duly recorded in the Official Records of the County. Notwithstanding the foregoing provisions of this Article VI, (i) the modification of any easement set forth in this Declaration shall not be effective without the approval of the Covered Parcel Owner of each Covered Parcel which is benefitted by such easement, (ii) any modification that would make any restriction against a Covered Parcel more restrictive or more onerous shall not be effective without the approval of the Covered Parcel Owner of such Covered Parcel, (iii) any easement which benefits one or more particular parcels may be modified by written agreement of the Parcel Owners of each of the benefitted and burdened parcels, (iv) the restrictions set forth in Section III.A.1, III.A.7, III.A.8, III.A.9 and III.D may not be amended, and (v) the restrictions set forth in Section III.B and III.C may be amended only upon written agreement of all of the Retail Parcel Owners.

## VII. MISCELLANEOUS

A. Easements Appurtenant; Covenants, Conditions and Restrictions to Run with the Property. The easements, rights of way, covenants, conditions and restrictions declared herein are interests in the Property, rights, and obligations as provided herein, which shall be appurtenant to and shall run with the Property, and the benefits and burdens of which shall bind and benefit all parties having or acquiring any right, title or interest in all or any portion of the Property. Upon recordation of this Declaration, every person or entity that now or hereafter owns or acquires any right, title or interest in or to all or any portion of the Property is and shall be conclusively deemed to have consented and agreed to every provision of this Declaration, and every easement, covenant, condition, and restriction created by this Declaration, whether or not any reference to this Declaration is contained in the instrument by which such person or entity acquired such interest in the Property. This Declaration is made for the direct, mutual and reciprocal benefit of the Covered Parcels and shall create reciprocal rights and obligations among as set forth in this Declaration and subject to each and every provision of this Declaration and to the rights and powers of Declarant hereunder.

B. Priority of Mortgage Lien and Mortgagee's Protection. Notwithstanding any provision of this Declaration, no breach of the easements, covenants, conditions, or restrictions, nor the enforcement of any provisions contained in this Declaration shall affect, impair, or defeat the lien or charge of any duly recorded mortgage or deed of trust encumbering any Covered Parcel, or affect, impair, or defeat the interest of the mortgagee, or its successor by merger or acquisition, or any entity in which the mortgagee or such successor has a substantial direct or indirect ownership interest, or any entity which has a substantial direct or indirect ownership interest in the mortgagee (the mortgagee and such parties are collectively referred to as the "**Mortgagee**") pursuant to such a mortgage, provided that such mortgage is made in good faith and for value. Except as provided in this paragraph, all easements, covenants, conditions, restrictions, and provisions of this Declaration shall be binding upon and effective against any owners whose title is derived through foreclosure, deed in lieu of foreclosure, or trustee's sale during the period of their ownership, provided that no indemnity obligation under this Declaration

98 2372366

shall bind or be effective against the Mortgagee or its first successor in interest or the grantee under a foreclosure, deed in lieu of foreclosure, or a trustee's sale conducted in connection with any Mortgagee's security interest a Covered Parcel.

C. Miscellaneous and Interpretive Provisions.

1. Cumulative Remedies. All rights, options and remedies declared herein are cumulative and no one of them shall be exclusive of any other. The Declaration may be enforced by pursuit of any one or all of the rights, options, and remedies available pursuant to this Declaration, or any other remedy or relief provided by law.

2. Notices. Any notice, request, demand, consent, approval, payment, or other communication required or permitted to be made hereunder or by law shall validly be given or made only if in writing and delivered in person to an officer or duly authorized representative of the addressee, or deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, and directed to the addressee for whom intended at an address furnished by addressee for the purpose of such communications. If no address is provided, communications may be delivered to the principal office or place of business of the addressee.

3. Attorneys' Fees. In the event of any controversy, claim or dispute relating to this Declaration or the breach thereof, the prevailing party shall be entitled to recover from the losing party expenses, attorneys' fees and costs actually and reasonably incurred.

4. Captions. Captions used in this Declaration are for convenience only, and do not modify, alter, or add to the terms in the Declaration.

5. Severability. If any term, provision, easement, covenant or condition of this Declaration is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Declaration shall not be affected thereby, and each term, provision, easement, covenant, condition, or restriction of this Declaration shall be valid and enforceable to the fullest extent permitted by law.

6. Governing Law. This Declaration shall be construed and enforced in accordance with the laws of the State of California.


7. Incorporation of Exhibits. All Exhibits attached hereto are hereby incorporated into and made a part of this Declaration. All references in this Declaration to Exhibits are references to Exhibits of this Declaration, unless otherwise specified.

8. Gender and Number. In this Declaration, unless the context requires otherwise, the masculine, feminine, and neuter genders, and the singular and plural shall be deemed to include one another, as appropriate.

9. Waiver. The waiver of any breach of any provision, easement, covenant, condition or restriction of this Declaration by any person or entity shall not be deemed to be a waiver of such right or of any preceding or subsequent breach of the same or any other provision, easement, covenant, condition or restriction.

IN WITNESS WHEREOF, Declarant has executed this instrument as of the day and year first above written.

BOEING REALTY CORPORATION, a California corporation (formerly known as McDonnell Douglas Realty Company)

By:   
Stephen J. Barker,  
Director of Business Operations

98 2372366

STATE OF CALIFORNIA )  
 )  
COUNTY OF Orange ) ss.

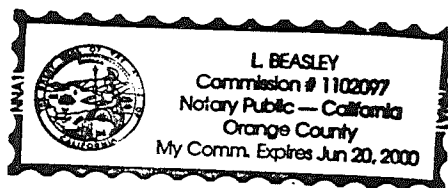
On 12-28-98 before me, L. Beasley, a  
notary public in and for said State, personally appeared Stephen J. Barker,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the  
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me  
that he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature L. Beasley

(Seal)

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ ) ss.



On \_\_\_\_\_ before me, \_\_\_\_\_, a  
notary public in and for said State, personally appeared \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the  
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me  
that he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

18

CONSENT AND AGREEMENT

Vestar California XXII, L.L.C., an Arizona limited liability company ("Buyer"), hereby acknowledges that he has agreed to acquire the Retail Tract (as described in Recital A of this Declaration) from Declarant pursuant to that certain agreement dated March 31, 1997, as amended. During the period that all or any portion of the Retail Tract is owned by Buyer or any party in which Buyer or any party controlling, controlled by or under common control with Buyer has a voting or ownership interest (each, an "Affiliate"), Buyer hereby consents and agrees to be personally bound by all of the easements, rights, covenants, conditions, restrictions, liens and charges burdening the Retail Tract and benefitting the other portions of the Property as declared in this Declaration; provided, that Buyer's obligations pertaining to any particular portion of the Retail Tract shall terminate (except as to obligations accruing prior to such termination) at the time that such portion of the Retail Tract is no longer owned by Buyer or its Affiliate. Buyer agrees that all easements are appurtenant and all rights, covenants, conditions, restrictions, liens, and charges run with the Property, as set forth in this Declaration.

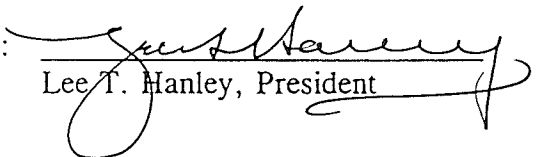
IN WITNESS WHEREOF, Buyer has executed this Consent and Agreement as of the day and year first above written.

"Buyer"

VESTAR CALIFORNIA XXII, L.L.C., an  
Arizona limited liability company

By: Hanley Investments Limited Partnership, an  
Arizona limited partnership, its Managing  
Member

By: Hanley Corporation, an Arizona  
corporation, its General Partner

By:   
Lee T. Hanley, President

98 2372366

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ ) ss.

On \_\_\_\_\_ before me, \_\_\_\_\_,  
a notary public in and for said State, personally appeared \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the  
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me  
that he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

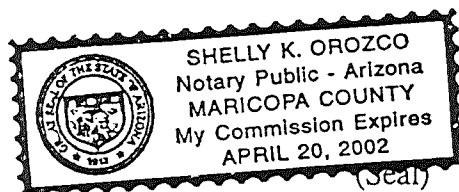
Arizona  
STATE OF CALIFORNIA )  
 )  
COUNTY OF Maricopa ) ss.

On December 23, 1998 before me, Shelly K. Orozco,  
a notary public in and for said State, personally appeared Lee T. Hanley,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the  
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me  
that he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Shelly K. Orozco



98 2372366

EXHIBIT "A"  
TO CC&R'S

DESCRIPTION OF ENTIRE 170 ACRES

THAT PORTION OF RANCHO SAN PEDRO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF THE 50-FOOT RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY ADJOINING NORMANDIE AVENUE ON THE WEST, DISTANT NORTHERLY 780 FEET MEASURED AT RIGHT ANGLES FROM THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 9 IN BLOCK 72 OF TRACT NO. 4983, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 58 PAGES 80, ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, AS DESCRIBED IN THAT CERTAIN DEED TO THE UNITED STATES OF AMERICA, RECORDED AS DOCUMENT NO. 1720 IN BOOK 40472 PAGE 23 OF OFFICIAL RECORDS, OF SAID LOS ANGELES COUNTY; THENCE WESTERLY ALONG THE LINE DESCRIBED IN PARCEL "A" OF SAID DEED RECORDED IN BOOK 40472 PAGE 23, OFFICIAL RECORDS, PARALLEL WITH THE NORTH LINE OF SAID LOT 9 AND ITS PROLONGATIONS, 1050 FEET; THENCE SOUTH 0 DEGREES 02 MINUTES 40 SECONDS EAST ALONG THE LINE DESCRIBED IN SAID PARCEL "A", 780 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 31 SECONDS WEST ALONG THE LINE DESCRIBED IN SAID PARCEL "A" 1887.60 FEET TO THE EASTERLY LINE OF WESTERN AVENUE, 80 FEET WIDE, AS SHOWN ON RIGHT-OF-WAY, FILED IN BOOK 52 PAGE 47 OF RECORD OF SURVEYS OF SAID LOS ANGELES COUNTY; THENCE NORTH 0 DEGREES 22 MINUTES 04 SECONDS WEST 1230.35 FEET ALONG SAID EASTERLY LINE OF WESTERN AVENUE TO THE SOUTHWESTERN TERMINUS OF THAT CERTAIN COURSE DESCRIBED IN PARCEL NO. 1 OF THE QUITCLAIM DEED OF HARVEY ALUMINUM, INC., RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS OF SAID LOS ANGELES COUNTY, HAVING A BEARING OF SOUTH 89 DEGREES 37 MINUTES 56 SECONDS WEST AND A DISTANCE OF 10.00 FEET; THENCE NORTH 89 DEGREES 37 MINUTES 56 SECONDS EAST 10.00 FEET; THENCE CONTINUING ALONG THE LINE DESCRIBED IN PARCEL NO. 1 OF SAID DEED, RECORDED IN BOOK D-586 PAGE 796 OF SAID OFFICIAL RECORDS, SOUTH 0 DEGREES 22 MINUTES 04 SECONDS EAST 172.51 FEET; THENCE NORTH 89 DEGREES 37 MINUTES 56 SECONDS EAST 6.55 FEET; THENCE SOUTH 0 DEGREES 22 MINUTES 04 SECONDS EAST 84.12 FEET; THENCE SOUTH 45 DEGREES 11 MINUTES 14 SECONDS EAST 158.41 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 41 SECONDS EAST 960.03 FEET TO THE SOUTHWEST CORNER OF PARCEL 2 OF SAID QUITCLAIM DEED, RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS; THENCE NORTH 89 DEGREES 58 MINUTES 11 SECONDS EAST ALONG THE SOUTHERLY LINE OF SAID PARCEL NO. 2, 33.60 FEET; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL NO. 2, NORTH 0 DEGREES 02 MINUTES 12 SECONDS WEST 2731.90 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 403.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 39 DEGREES 15 MINUTES 34 SECONDS, A DISTANCE OF 276.14 FEET TO A POINT, A RADIAL LEAVING SAID CURVE, NORTH 0 DEGREES 02 MINUTES 44 SECONDS WEST 161.13 FEET TO A POINT IN THE SOUTHERLY LINE OF 190TH STREET, 66 FEET WIDE, AS SHOWN IN BOOK 52 PAGE 47 OF RECORD OF SURVEYS OF SAID LOS ANGELES COUNTY, SAID POINT BEING THE NORTHEASTERLY CORNER OF PARCEL NO. 2 OF SAID QUITCLAIM DEED, RECORDED IN BOOK D-586 PAGE 796, OFFICIAL RECORDS; THENCE ALONG THE SOUTHERLY LINE OF 190TH STREET, NORTH 89 DEGREES 56 MINUTES 46 SECONDS EAST 1729.56 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF SAID FIRST-MENTIONED 50-FOOT RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY; THENCE ALONG SAID WESTERLY LINE OF SAID 50-FOOT RIGHT-OF-WAY, SOUTH 0 DEGREES 02 MINUTES 40 SECONDS EAST 3232.35 FEET TO THE POINT OF BEGINNING.

DESCR50 - 12/04/91 AA

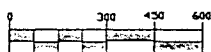
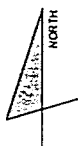
98 2372366



EXHIBIT "A"  
TO CC&R'S  
(CONTINUED)



# HARBOR GATEWAY CENTER



VESTING TRACT NO. 52172

190TH STREET

NOTE: ALL LOTS SHOWN  
HEREON ARE APPROXIMATE  
IN SIZE AND SUBJECT  
TO CHANGE BASED ON  
APPROVALS BY THE  
CITY OF LOS ANGELES.

27.5± AC  
RETAIL DEVELOPMENT  
TRACT NO. 52172-01

~~TRACT NO. 52172-03~~

KNOX ST

~~INDUSTRIAL / OFFICE DEVELOPMENT~~

~~TRACT NO. 82172-03~~

-PHASE 3

ON

FRANCISCO ST

~~FRANCISCO ST~~

TRACT NO. 52172-0

JON ST

INDUSTRIAL/OFFICE DEVELOPMENT  
TRACT NO. 52172-02

203RD

STREET

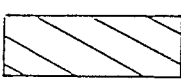
**AK & ASSOCIATES INC.**

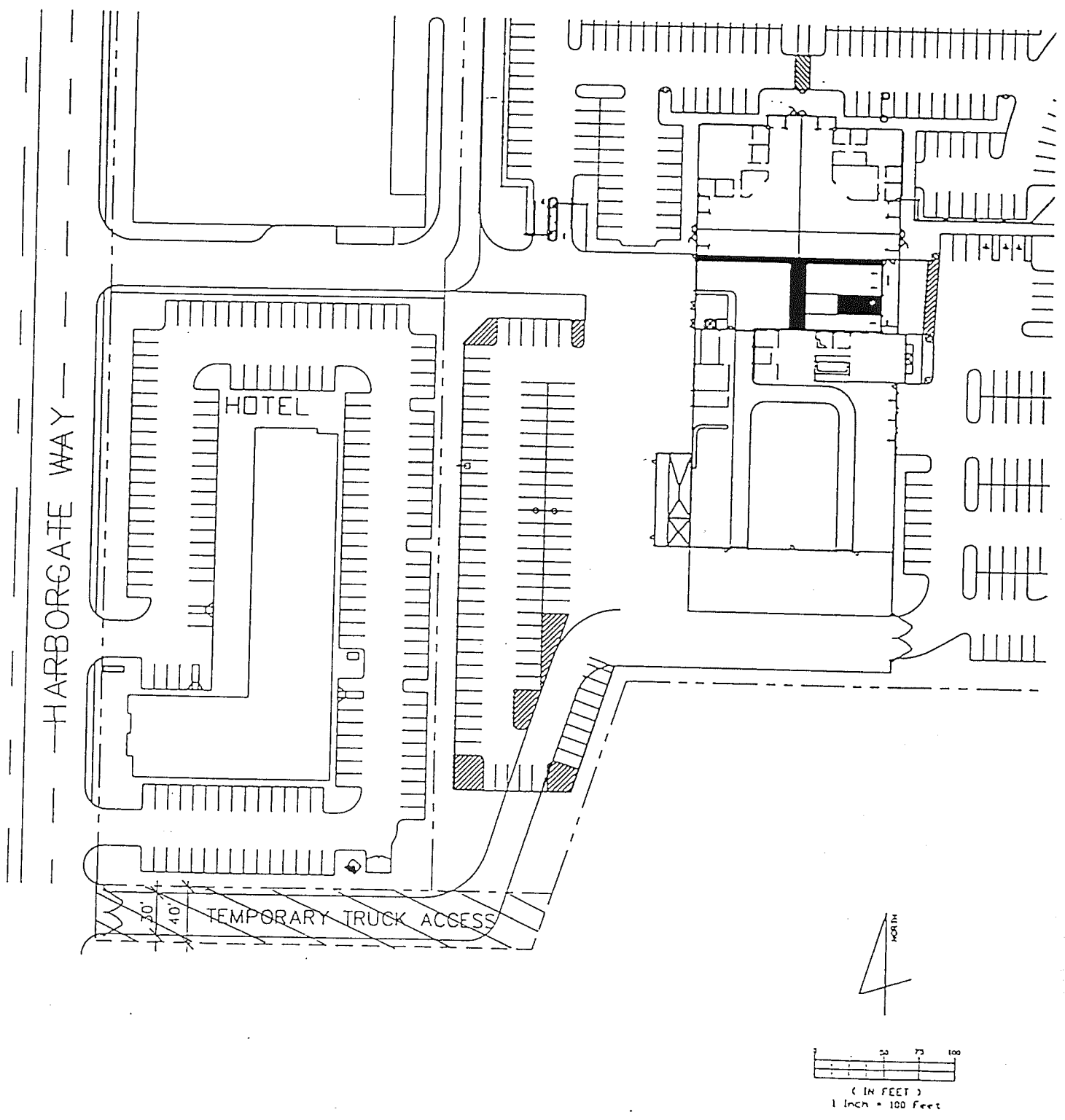
1100 TOWN & COUNTRY ROAD, SUITE 1200, ORANGE, CA 92668  
TEL. (714) 560-8200 FAX (714) 560-8211

CCREXHIB.DWG 12-23-98 14:50 PM PST

98 2372366

EXHIBIT "B"  
HARBORGATE WAY ACCESS EASEMENT

 TEMPORARY  
TRUCK ACCESS EASEMENT



98 2372366

EXHIBIT "B-1"  
PERMANENT ACCESS EASEMENT

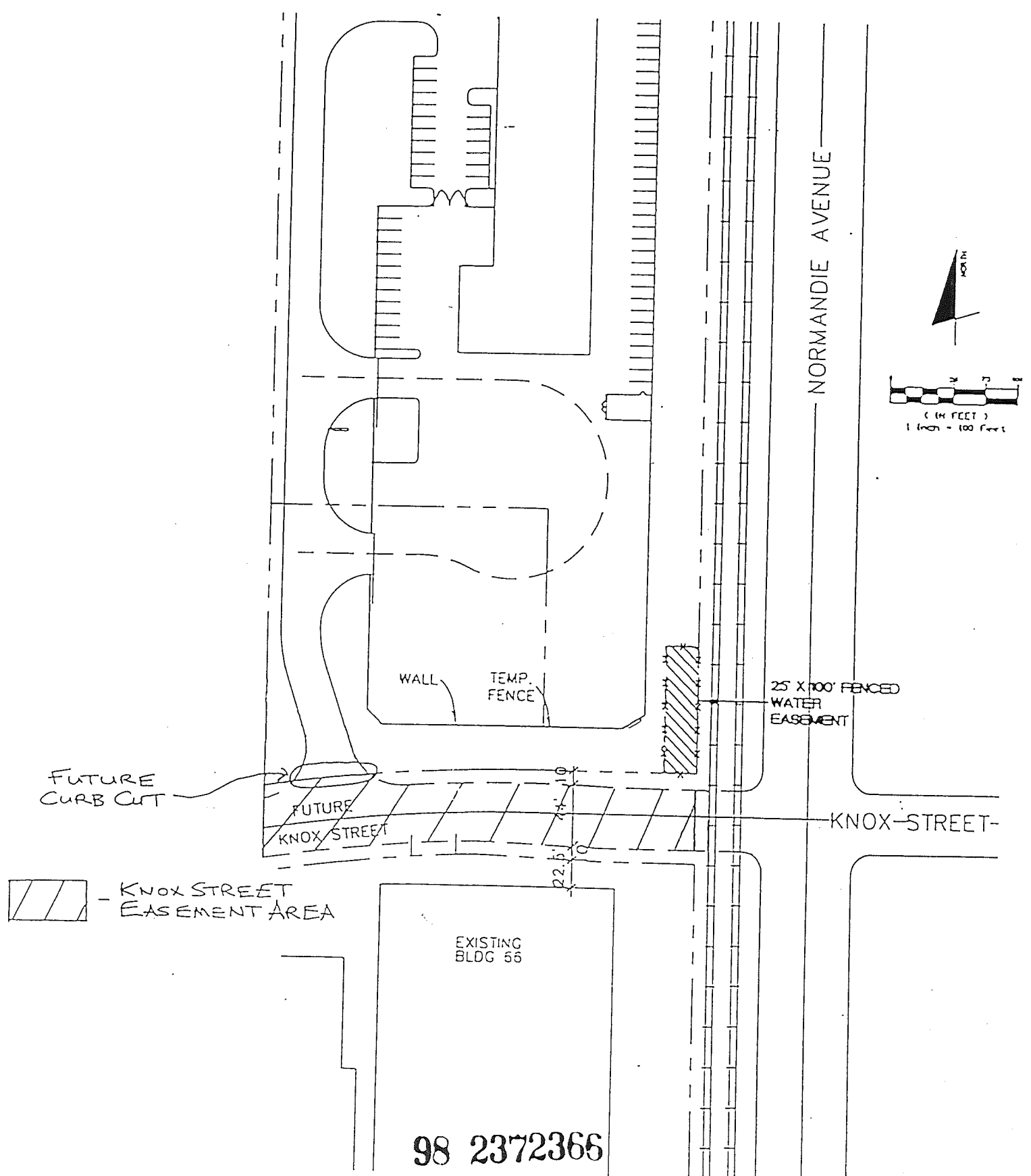
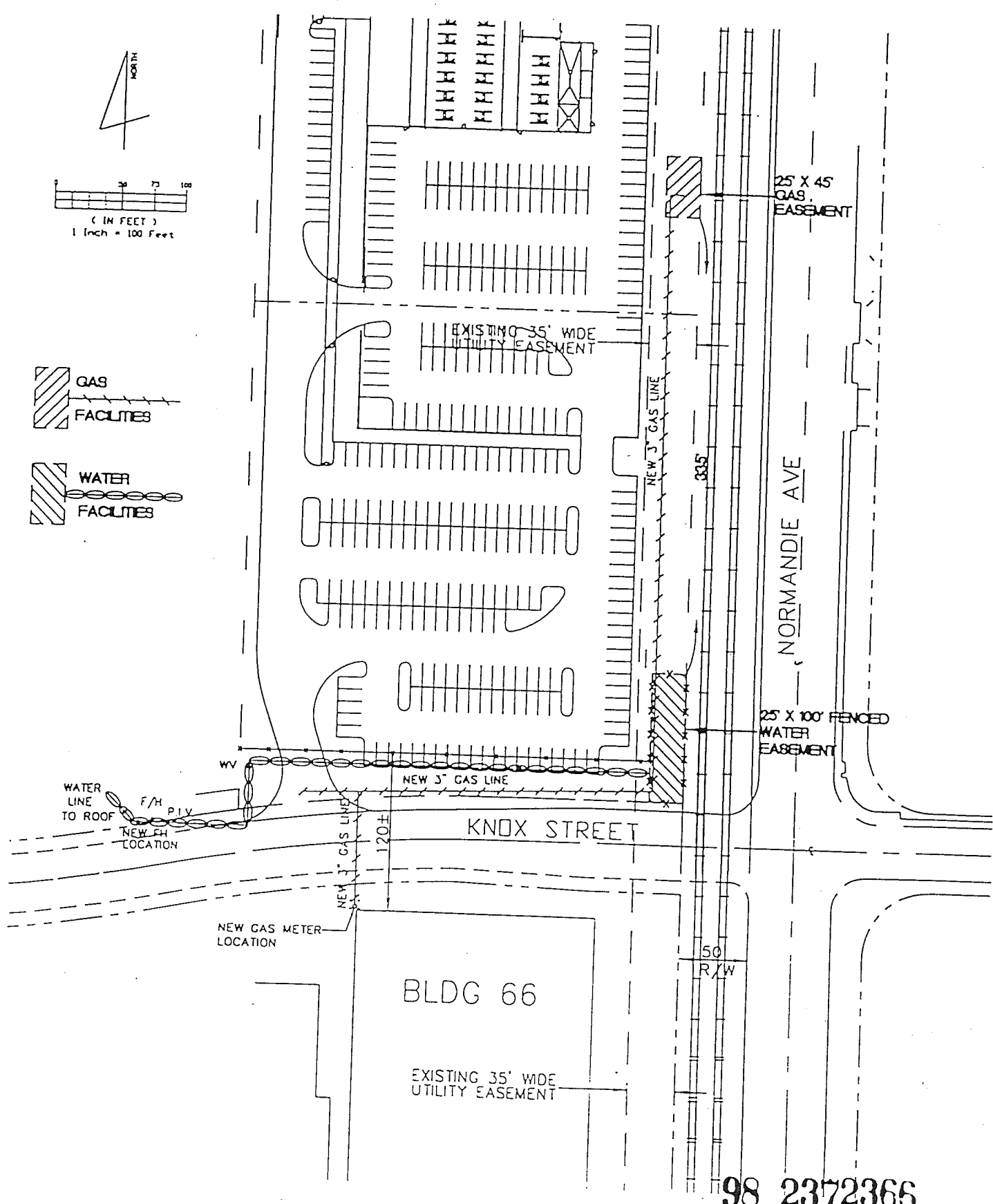


EXHIBIT "C"  
RISER EASEMENT AREAS

GAS AND WATER EASEMENTS  
TRACT NO. 52172-01



98 2372366

EXHIBIT "C-1"  
SURFACE AND PIPELINE EASEMENT AREAS

STORM DRAIN AND SEWER EASEMENTS  
TRACT NO. 52172-01

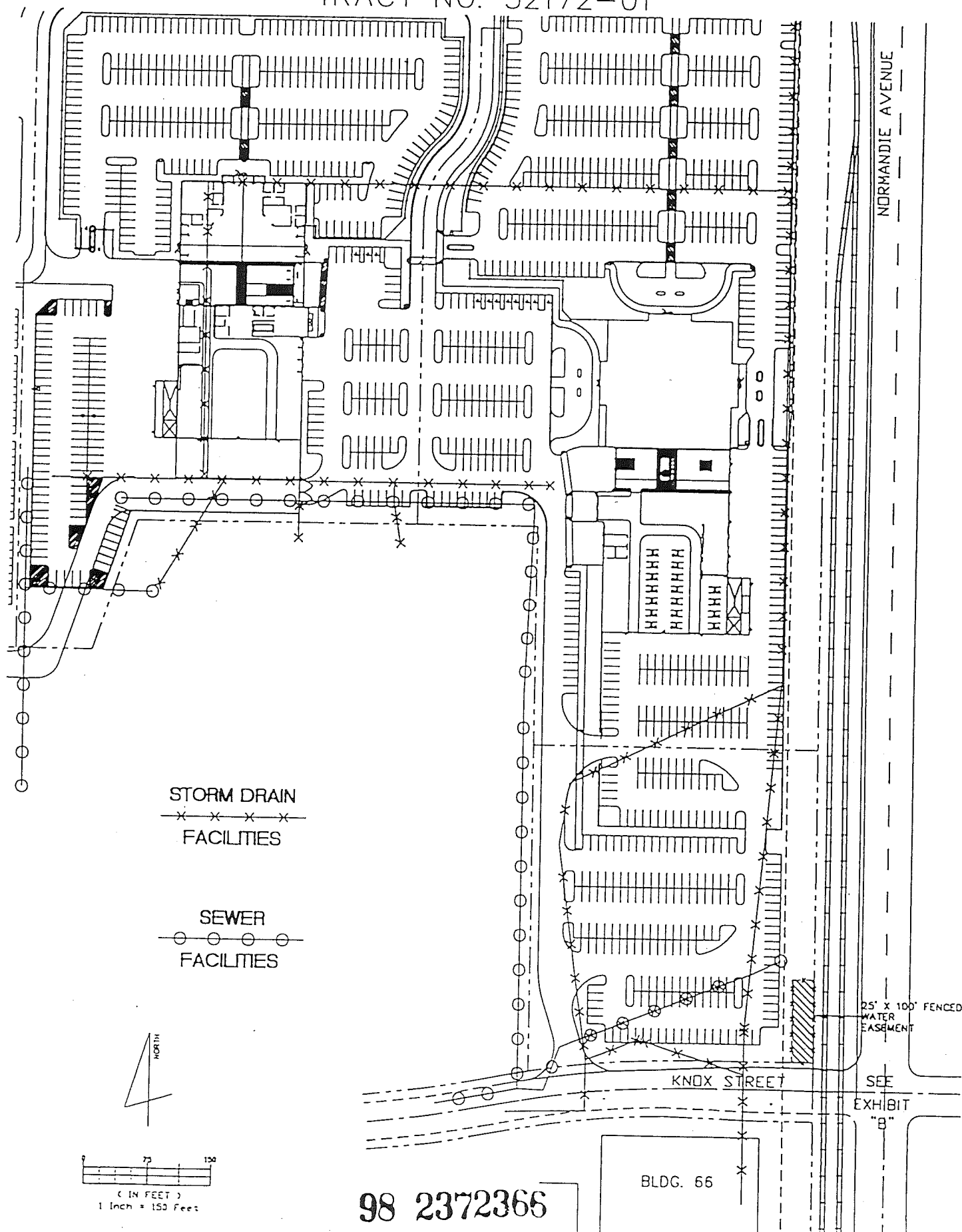


EXHIBIT "D"  
EXISTING WELL LOCATIONS

27.5 ACRE VESTAR SITE WITH ALL MONITOR WELLS  
TRACT NO. 52172-01

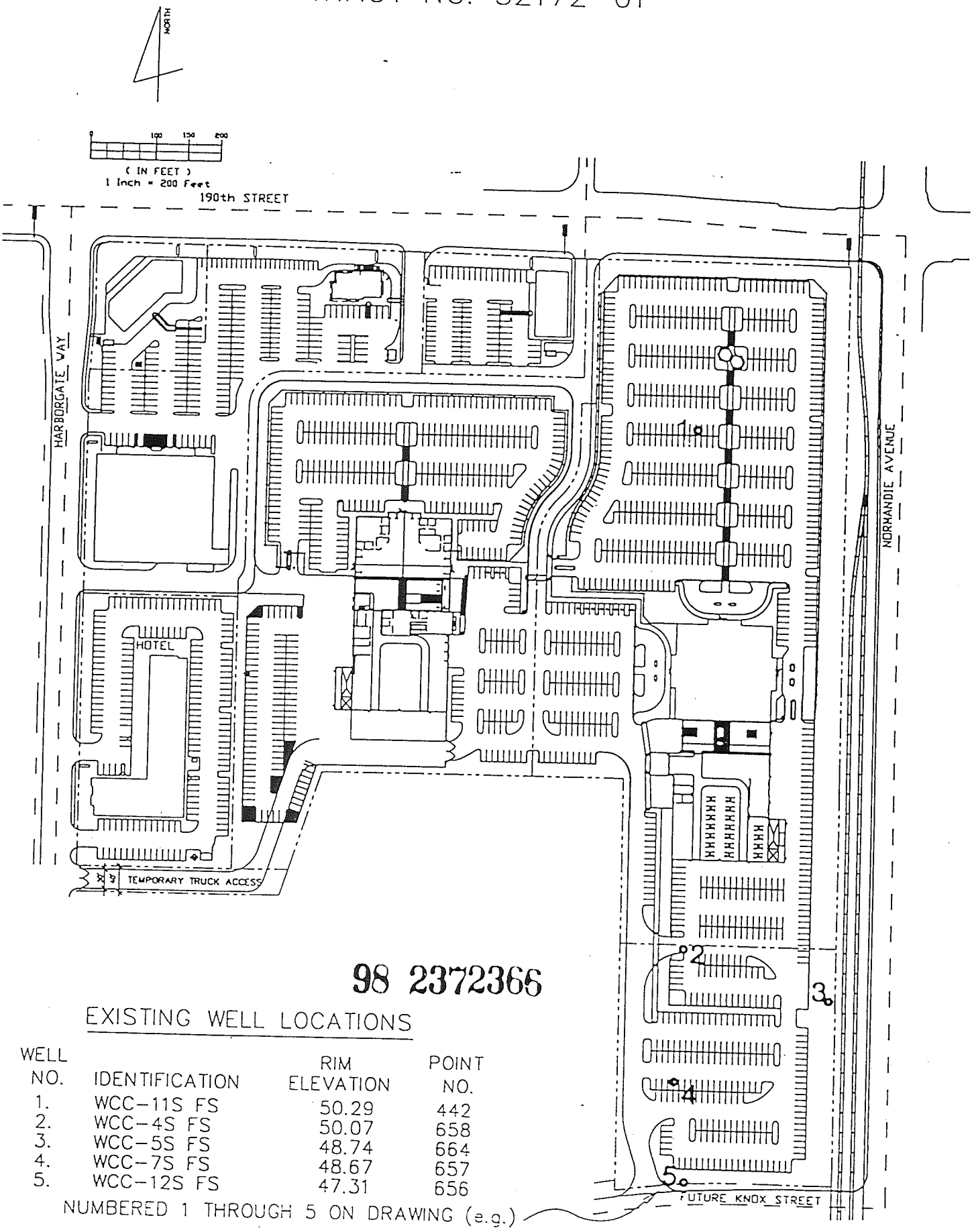




EXHIBIT "D-1"  
AREA FOR FUTURE REMEDIATION FACILITIES

BUILDING 36 REMEDIATION WELL AREA  
VESTAR DEVELOPMENT  
TRACT NO. 52172-01

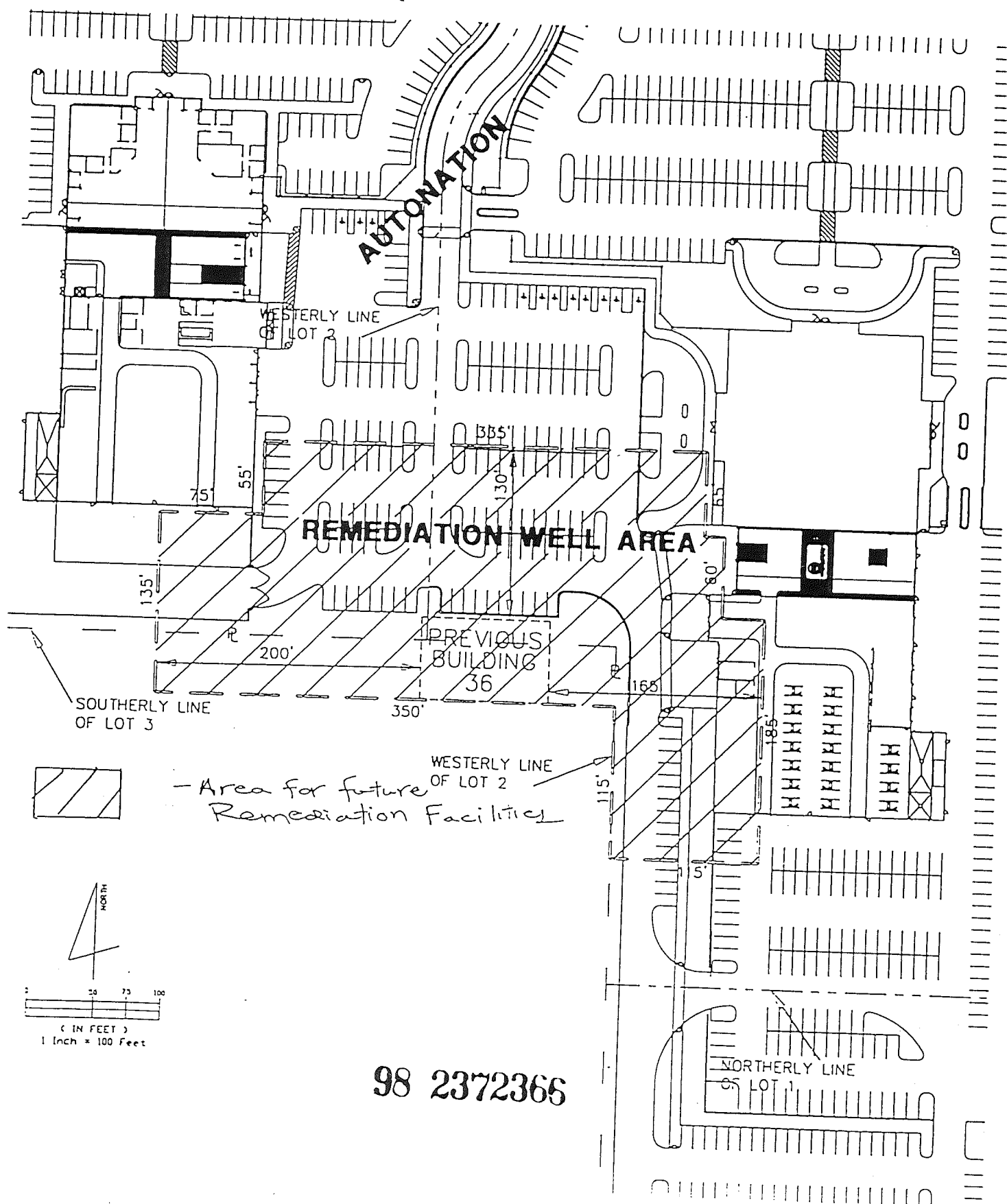


EXHIBIT "E"  
SIGNAGE EASEMENT AREA

65'X65'  
LANDSCAPE AND  
SIGN EASEMENT

LANDSCAPE AND SIGN EASEMENT  
TRACT NO. 52172-01

Approved Monument Signs

190TH STREET

HARBOR GATE WAY

NORRANDIE AVENUE

HOTEL

TEMPORARY TRUCK ACCESS

FUTURE KNOX STREET

BLDC. 66

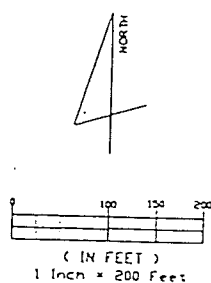


EXHIBIT "E" (continued)  
DETAIL OF SIGNAGE EASEMENT AREA

LANDSCAPE AND SIGN EASEMENT  
TRACT NO. 52172-01

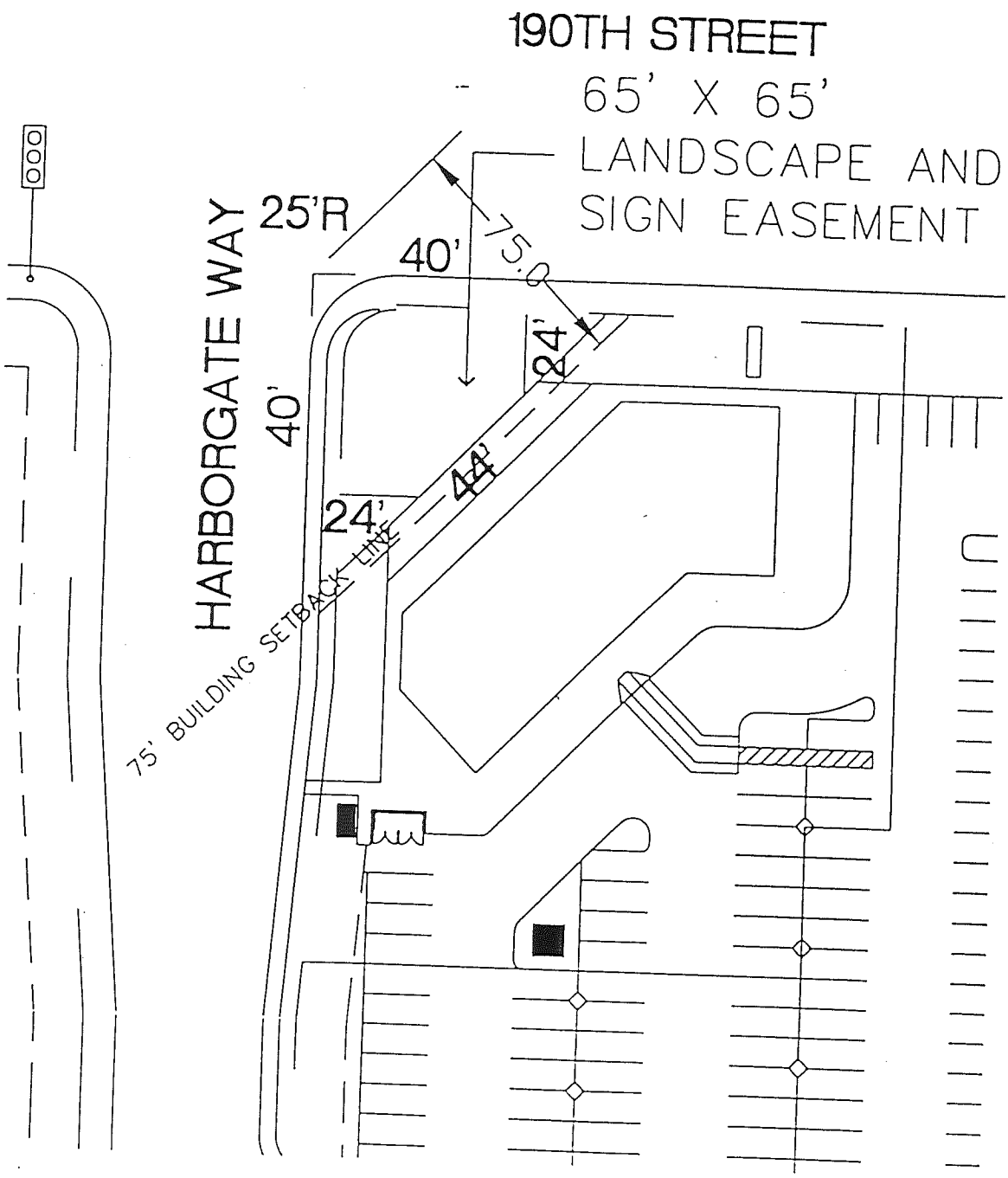
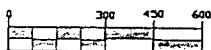
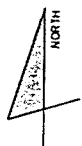


EXHIBIT "F"  
DEPICTION OF WESTERN FRONTAGE PROPERTY  
(CONTINUED)



# HARBOR GATEWAY CENTER



VESTING TRACT NO. 52172

190TH STREET

NOTE: ALL LOTS SHOWN  
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IN SIZE AND SUBJECT  
TO CHANGE BASED ON  
APPROVALS BY THE  
CITY OF LOS ANGELES.

WESTERN AVENUE

INDUSTRIAL/OFFICE DEVELOPMENT  
TRACT NO. 52172-02

HARBOR GATEWAY

27.5± AC  
RETAIL DEVELOPMENT  
TRACT NO. 52172-01

27 28  
TRACT NO. 52172-03

KNOX ST

INDUSTRIAL/OFFICE DEVELOPMENT

TRACT NO. 52172-03

NORMANDIE AVENUE

FRANCISCO ST

JON ST

203RD

STREET

HARVARD  
BLVD

DENVER  
AVE.

WESTERN  
FRONTAGE  
PROPERTY

**AT & ASSOCIATES INC.**

1100 TOWN & COUNTRY ROAD, SUITE 1200, ORANGE, CA. 92668  
TEL. (714) 560-8200 FAX (714) 560-8211

CCREXHIB.DWG 12-23-98 14:50 PM PST